

## **U.S. Trade With Singapore: 2008 (Jan-Sep) vs. 2007 (Jan-Sep)**

### **Trade**

- Singapore was the United States' tenth largest export market in Q3 2008, same ranking as in Q3 2007. U.S. exports to Singapore grew 16.9 percent, from \$19.5 billion in Q3 2007 to \$22.8 billion in Q3 2008.
- Singapore's exports to the United States decreased 10.8 percent to \$12.4 billion, from \$13.9 billion in Q3 2007.
- Singapore was our sixteenth largest trading partner in Q3 2008, down from 14<sup>th</sup> position in Q3 2007, as two-way trade increased at a slower rate of 5.4 percent to \$35.2 billion, compared with the 8.0 percent growth in Q3 2007 (\$33.4 billion).
- During the first four years of the U.S.-Singapore FTA, which came into effect January 1, 2004, two-way trade has increased 41 percent and U.S. exports by nearly 58 percent.

### **Trade Balance (Goods)**

- The U.S. goods trade surplus with Singapore in Q3 2008 increased 86 percent to \$10.4 billion from \$5.6 billion in Q3 2007.
- The United States ran its third largest surplus in Q3 2008 with Singapore (\$10.4 billion) after the Netherlands (\$14.2 billion) and Hong Kong (\$12 billion).
- Primary U.S. exports to Singapore in H1 2008 (latest available) consisted of machinery (\$3.9 billion, up 11.4 percent from H1 2007); electrical machinery (\$3.5 billion, up 6.1 percent); aircraft/aircraft parts (\$2.5 billion, up 47.1 percent); and optical/medical instruments (\$0.9 billion, up 200 percent).

### **Singapore vs. ASEAN and Other Trade Partners**

- The United States exported more to Singapore (\$22.8 billion) in Q3 2008 than to many other economies with significantly larger populations, including France (\$22.1 billion), Taiwan (\$20.8 billion), Australia (\$17.3 billion), India (\$14.7 billion), Italy (\$12.1 billion), and Malaysia (\$10.2 billion).
- U.S. exports to Singapore (population 4.8 million) were 42 percent of those to China (population 1.3 billion) in Q3 2008; 44 percent of those to Japan (population 128 million); and 83 percent of those to South Korea (population 49 million).
- Singapore is the largest ASEAN market for U.S. exports. It took 43 percent of total exports to ASEAN in Q3 2008, down from 44 percent in Q3 2007.
- With exports of \$53.6 billion to ASEAN member countries in Q3 2008, the United States sold nearly as much to this region (population 583 million and, taken together,

our fifth largest trading partner) as to China (\$55.0 billion) and Japan (\$51.6 billion). The United States exported more to ASEAN than to the United Kingdom (\$42.3 billion) and Germany (\$41.7 billion)

#### **Trade in Services (2006 latest available)**

- Two-way trade in services between the United States and Singapore reached a 14-year high of US\$10.5 billion in 2006.
- During the first three years of the U.S.-Singapore FTA, which came into effect January 1, 2004, two-way trade in services increased 23.2 percent and U.S. exports of services by 15.5 percent to US\$6.7 billion.
- Singapore was the United States' eighteenth largest trading partner in services in 2006 and sixteenth largest export market (tied with India) at US\$6.7 billion. The United States ran its tenth largest surplus in services in 2006 with Singapore (\$2.9 billion).
- Forty-seven percent of U.S. services exports to Singapore consisted of royalties (\$3 billion), primarily for manufacturing, broadcasting, IT, business, and financial services.
- Singapore is the largest ASEAN market for U.S. exports of services: It took 51.1 percent of total exports to ASEAN in 2006.
- With services exports of \$13.1 billion in 2006, the United States sold more services to ASEAN countries (taken together, our eighth largest trading partner in services) than to China (\$10.9 billion), South Korea (\$11.5 billion), India (\$6.7 billion) or Africa (\$8.1 billion).

#### **Cumulative Foreign Direct Investment (2007 latest available)**

- U.S. FDI in Singapore grew 5.4 percent to \$82.6 billion in 2007, compared to \$78.4 billion in 2006. Singapore was the second largest recipient of U.S. investment in Asia after Japan (\$101.6 billion), and the twelfth largest recipient worldwide.
- The United States has invested nearly three times the amount of FDI in Singapore as it has in China (\$28.3 billion).
- U.S. investment in ASEAN (\$130 billion) exceeded that invested on a combined basis in Greater China (\$92.1 billion) – China (\$28.3 billion), Hong Kong (\$47.4 billion), and Taiwan (\$16.4 billion).
- In terms of total trade and FDI, ASEAN is a more important market for the United States than South America.

Sources: Department of Commerce, U.S. Census Bureau, BEA, and ITA

